

Senate State and Local Government Committee 2

Amendment No. 2 to SB3194

**Ketron
Signature of Sponsor**

AMEND Senate Bill No. 3194

House Bill No. 3175*

by deleting SECTIONS 1 and 2 in their entirety and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 12-3-1009, is amended by designating the current language as subsection (a) and adding the following new language, to be designated as subsection (b):

(b) Any municipality or municipal agency may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any supplies or any services other than construction, engineering or architectural services or construction materials with one (1) or more other local governments within this state or outside this state, to the extent the laws of the other state permit the joint exercise of purchasing authority, in accordance with an agreement entered into between or among the participants. A municipality may participate in a master agreement by adopting a resolution accepting the terms of the master agreement. If a participant in a joint or multi-party agreement is required to advertise and receive bids, then it will be deemed sufficient for those purposes that the purchasing entity or the entity that procured the bid complied with its own purchasing requirements. When any general law, charter or private act requires that a municipality or municipal agency purchase an item or a service by competitive bidding, either formal or informal, the municipality or municipal agency may consider the price for the same item or service under any contract or agreement pursuant to this section in the same manner as one of the formal bids or informal quotations required under such general law, charter or private act.

SECTION 2. Tennessee Code Annotated, Section 12-3-1004, is amended by deleting subsection (b) in its entirety and substituting the following language:

(b)

(1) Any local education agency (LEA), municipality, county, utility district, or other local governmental unit of the state may purchase equipment, where the individual unit price does not exceed ten thousand dollars (\$10,000), under the same terms of a legal bid initiated by any other LEA, municipality, county, utility district, or other local governmental unit of the state in Tennessee.

(2)

(A) Any LEA, municipality, county, utility district, or other local governmental unit of the state may purchase directly from a vendor the same goods and equipment, where the individual unit price does not exceed ten thousand dollars (\$10,000), at the same price and under the same terms as provided in a contract for such equipment entered into by any other LEA, municipality, county, utility district, or other local governmental unit of the state.

(B) Any LEA, municipality, county, utility district, or other local governmental unit of the state which purchases goods and equipment under the provisions of this subsection (b) shall directly handle payment, refunds, returns, and any other communications or requirements involved in the purchase of the equipment without involving the entity which originated the contract. The originating entity shall have no liability or responsibility for any purchases made by another entity under a contract that the originating entity negotiated and consummated.